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PEOPLE OF THE STATE OF CALIFORNIA

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

**THE PEOPLE OF THE STATE OF  
CALIFORNIA,**

Plaintiff,

v.

**H&R BLOCK, INC., a foreign corporation; H&R  
BLOCK SERVICES, INC., a foreign corporation;  
H&R BLOCK ENTERPRISES, INC., a foreign  
corporation; H&R BLOCK TAX SERVICES, INC.,  
a foreign corporation; BLOCK FINANCIAL  
CORPORATION, a foreign corporation; HRB  
ROYALTY, INC., a foreign corporation; and  
DOES 1 through 50, inclusive,**

Defendants.

CASE NO. C 06 2058 SC

**STIPULATION AND  
~~PROPOSED~~ ORDER  
EXTENDING CASE  
MANAGEMENT DEADLINES  
AND CLARIFYING  
BRIEFING SCHEDULE ON  
PLAINTIFF'S MOTION TO  
REMAND**

(San Francisco Superior Court  
Case No. CGC-06-449461)

THE PARTIES HERETO, BY AND THROUGH THEIR UNDERSIGNED COUNSEL,  
HEREBY STIPULATE AND AGREE AS FOLLOWS:

WHEREAS on May 16, 2006, Plaintiff filed a motion to remand this action to state  
court ("Remand Motion"), and Defendant H&R Block Enterprises, Inc. filed a motion to join

1 HSBC Bank USA, N.A. as a defendant (“Joinder Motion”);

2 WHEREAS on June 26, 2006, the Court issued an Order setting both the Remand  
3 Motion and the Joinder Motion for hearing on September 8, 2006;

4 WHEREAS the June 26, 2006, Order set a briefing schedule on the Joinder Motion,  
5 with Plaintiff’s opposition due August 11, 2006, and Defendant’s reply due August 25, 2006;

6 WHEREAS the June 26, 2006, Order does not expressly set a briefing schedule on the  
7 Remand Motion, but the parties believe the Court established a simultaneous briefing schedule  
8 for the Remand Motion and the Joinder Motion;

9 WHEREAS under this Court’s case management Order issued March 17, 2006 (“Case  
10 Management Order”), the last day to meet and confer regarding initial disclosures, early  
11 settlement, ADR process selection, and discovery plan, and to file a Joint ADR Certification or  
12 Notice of Need for ADR Phone Conference, is July 7, 2006;

13 WHEREAS under the Case Management Order the last day to complete initial  
14 disclosures, file Case Management Statement, and file and serve a Rule 26(f) Report is July 21,  
15 2006;

16 WHEREAS under the Case Management Order a case management conference in this  
17 action has been set for July 28, 2006;

18 WHEREAS the parties have stipulated, in order to remove any ambiguity in the  
19 Court’s June 26, 2006 Order, that Defendants’ opposition to the Remand Motion should be filed  
20 no later than August 11, 2006, and that Plaintiff’s reply in support of the Remand Motion should  
21 be filed no later than August 25, 2006;

22 WHEREAS the parties have stipulated that the deadlines established by the March 17,  
23 2006, Case Management Order should be adjusted in light of the briefing and hearing schedule  
24 on the Remand Motion;

25 WHEREAS The parties have stipulated that the deadlines in the March 17, 2006, Case  
26 Management Order should be extended as follows:

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October 27, 2006 Last day to:

- meet and confer re: initial disclosures, early settlement, ADR process selection, and discovery plan
- file joint ADR Certification with Stipulation to ADR Process or Notice of Need for ADR Phone Conference

November 10, 2006 Last day to complete initial disclosures or state objection in Rule 26(f) Report, file Case Management Statement, and file/service Rule 26(f) Report

November 17, 2006 Case Management Conference (CMC) in Courtroom 1, 17<sup>th</sup> Floor, San Francisco at 10:00 a.m.

WHEREAS the parties have stipulated that by agreeing to modify the deadlines set by the Case Management Order, Plaintiff has no intention of waiving and has not waived its objections to this Court's exercise of federal subject matter jurisdiction in this action;

NOW THEREFORE, IT IS HEREBY STIPULATED AND AGREED that the briefing schedule on the Remand Motion should be clarified as set forth above, and the deadlines set forth in the March 17, 2006, Case Management Order should be extended as set forth above.

Dated: June 30, 2006

OFFICE OF THE ATTORNEY GENERAL  
OF CALIFORNIA

By: /s/ Paul Stein

SETH E. MERMIN  
PAUL STEIN  
Counsel for Plaintiff,  
THE PEOPLE OF THE STATE  
OF CALIFORNIA

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1 DATED: June 30, 2006

MUNGER, TOLLES & OLSON, LLP

3 By: /s/ Genevieve Cox

4 JEFFREY L. BLEICH (SBN 144340)  
5 GENEVIEVE COX (SBN 229496)  
6 DANIEL J. POWELL (SBN 230304)  
7 AMY C. TOVAR (SBN 230370)  
8 Counsel for Defendants,  
9 H&R BLOCK, INC.,  
10 H&R BLOCK SERVICES, INC.,  
11 H&R BLOCK ENTERPRISES, INC.,  
12 H&R BLOCK TAX SERVICES, INC.,  
13 BLOCK FINANCIAL CORPORATION,  
14 HRB ROYALTY, INC.

10 Other Signatories: Genevieve Cox

11 Signature Attestation: I, Paul Stein, attest that Genevieve Cox has signed the original of this  
12 stipulation and that she concurs in the filing thereof.

15 PURSUANT TO STIPULATION, IT IS SO ORDERED.

18 DATED: 7/6/06

